BORA LASKIN LAW LIBRARY
3 1761 10080633 0

Store
KF
1374
I22
1972
&
Suppl.

Iacobucci, Frank.
Cases and materials
relating to partnerships
and companies

Store
KF
1374
I22
1972
&
Suppl.

FACULTY OF LAW LIBRARY
UNIVERSITY OF TORONTO

# 1974-5 SUPPLEMENT TO

# CASES AND MATERIALS

# RELATING TO PARTNERSHIPS

# AND COMPANIES

Frank Iacobucci

LAW LIBRARY
SEP 19 1974

Digitized by the Internet Archive
in 2018 with funding from
University of Toronto

https://archive.org/details/casesmaterialsre00iaco

TABLE OF CONTENTS


BIBLIOGRAPHY PAGE

- Standard Corporation Law Texts and Casebooks 7

- Specialized Works and Services

Chapter I Choice of Form of Business Enterprise 4

C. Partnership 4

1. Nature of Partnerships
Northern Electric Co. v. Frank Warkertin Elec. Co.

2. Creation of A Partnership
MacDougall v. Joncas
O.C. Couch Plumbing, Heating and Sheet Metal v. Target Textiles

3. Relation of Partners to Persons Dealing With Them
Bank of Montreal v. Kiwi Polish Co.
Mann v. D'Arcy

4. Relationship of Partners to Each Other
Whisper Holdings Ltd. v. Zamikoff et al
Blundon (Blunden) v. Storm

5. The Limited Partnership
Elevated Construction Ltd. v. Nixon

D. Joint Venture 6

Northern Electric Co. v. Frank Warkertin Elec. Co.

Articles by Leon Getz 7

Nature of Partnership Liability 7
Duration of Liability for Partnership Obligations 10
Partnership Property 15
Articles on Partnership 19

Chapter II Corporate Personality 20

C. Disregard of Corporate Personality

2. One-Man Corporations
Northern Electric v. Frank Warkertin Elec. Ltd.

3. Parent Subsidiary Situations
Nedco Ltd. v. Clark

4. Tortious and Criminal Liability
R. v. Teperman & Sons Ltd.

Articles 20

Chapter III The Process of Incorporation 22

A. Where to Incorporate

2. Extra-Provincial Corporations
Weight Watchers Internat. Inc. v. Weight Watchers Ont. Ltd.

Articles 22

Chapter IV The Corporate Constitution 23

A. The Charter Documents

2. Memorandum of Association and Articles of Association
Gaiman v. National Association for Mental Health

B. Alteration of the Corporate Constitution: Statutory Provisions and Judicial Interpretation

Bushell v. Faith

Articles 23

Chapter V Transaction of Corporate Business 25

A. Ultra Vires

North Rock Explorations Ltd. v. Zahavy Mines Ltd. et. al.

B. The Corporation and its Agents

Canadian Imperial Bank of Commerce v. Crawfords Ltd.
Hely-Hutchinson v. Brayhead Ltd.
Chugal Properties v. Levine

Watergate in Canada by Leon Getz 27

Articles 37

Chapter VI Control and Management of the Corporation: Directors, Officers, Promoters and Shareholders 38

A. Distribution of Control Between Shareholders and Directors - The Directors' Functions 38

Tycoos Developments v. Cookstown Estates Ltd.

B. Directors 29

2. Duties of Directors
(b) Fiduciary Duties
(i) Exercise of Power Bona Fide and for a Proper Purpose 39

Teck Corporation v. Millar 39

The Exercise of Directors' Powers - The Battle of Afton Mines by Frank Iacobucci 56

Howard Smith v. Ampol Petroleum Ltd. et al 60

(iii) Corporate Opportunities

Canadian Aero Service Ltd. v. O'Malley 65

Industrial Development v. Cooley Consultants Ltd. 92

(iv) Trading in Shares of the Corporation

1. Disclosure Requirements and the Use of Inside Information

Green v. Charterhouse Group Canada Ltd.

Case Comment by David L. Johnston 98

2. Sale of Control

Farnham v. Fingold 104

E. Shareholders

9. Shareholders' Actions to Enforce Directors' Duties

(a) The Shareholders' Derivative Action 113

Goldex Mines Ltd. v. Revill

D'Amore v. McDonald

(e) English Treatment of Oppression of the Minority 135

Re National Building Maintenance Ltd.

Ebrahimi v. Westbourne Galleries Ltd.

A New Concern for the Minority Shareholder
by Michael J. Trebilcock 151

Articles 156

# SELECTED BIBLIOGRAPHY 1974-1975

## I STANDARD CORPORATION LAW TEXTS AND CASEBOOKS

### (a) CANADA AND THE U.K.


Anisman, Take-Over Bid Legislation In Canada. 1974.

Gower, Modern Company Law, 3rd ed. 1969.

Fraser & Stewart, Company Law of Canada, 5th ed. 1962. By Stewart & Palmer

Labrie & Palmer, Casebook on Canadian Company Law. 1966.

Lavine, The Business Corporations Act, 1970: An Analysis. 1971.

Lindley, Lindley on the Law of Partnership, 13th ed. 1971.

Morin & Chippindale, Acquisitions and Mergers in Canada. 1970.

Ontario Legislative Assembly - Select Committee on Company Law, Report on Mergers, Amalgamations, and Certain Related Matters. 1973. Interim Report, 1967.

Underhill, Principles of the Law of Partnerships, 9th ed. 1971.

Ziegel ed., Studies In Canadian Company Law.
Vol. I 1967
Vol. II 1973 - Corporation and Securities Law in the 70's.


### (b) UNITED STATES


Cary, Cases and Materials On Corporations, 4th ed. 1969.

Berle & Warren, Cases and Materials On the Law of Business Organization (Corporations). 1948.

Lattin, Jennings, & Buxbaum, Cases and Materials On Corporations, 4th ed. 1968.

Lattin, The Law of Corporations, 2nd ed. 1971.

Sowards, Dennis & Co. Inc., Comments, Cases and Materials On the Law of Corporations. 1958.

Stevens & Henn, Statutes, Cases and Materials on the Law of Corporations. 1965.

Stevens, Handbook on the Law of Private Corporations, 2nd ed. 1949.

| | |
|---|---|
| Ballantine | Ballantine On Corporations, 3rd ed. 1959. |
| Henn | Handbook on the Law of Corporations, 2nd ed. 1970. |
| Hornstein | Corporation Law and Practice, 1959. |

## II SPECIALIZED WORKS AND SERVICES

| | |
|---|---|
| Harvard Law Review | Corporations: Selected Essays, Cambridge, 1965. |
| Mason, ed., | The Corporation in Modern Society, Cambridge, 1965. |
| Cudney & Kingston | Ontario Corporation Manual, loose leaf, on reserve. |
| | CCH Federal Securities Law Reporter (U.S.). loose leaf, on reserve. |
| | Ontario Securities Commission Monthly Bulletin, on reserve from Jan. 1967 forward. |
| | Ontario Securities Commission Weekly Summary. on reserve from Jan. 1964 forward. |
| Law Society of Upper Canada | Lectures 1968: "Developments in Company Law" on reserve. |
| Law Society of Upper Canada | Lectures 1972: "Corporate and Securities Law" on reserve. |
| Louis Loss | Securities Regulation, 3 Vols. 2nd ed., on reserve. |
| Loss & Lowett | Blue Sky Law, on reserve. |
| | Porter Royal Commission On Banking and Finance on reserve. |
| | The Toronto Stock Exchange, By-Laws and Regulations on reserve. |
| | The Corporate Directors and the Investing Public - New York Stock Exchange, 1965. |
| Iacobucci, Frank | "The Business Corporations Act 1970: Creation and Financing of A Corporation" (1971) 21 U. of T. L.J. 416. |
| | "The Business Corporations Act 1970: Management and Control of A Corporation" (1971) 21 U. of T. L.J. 534. |
| American Bar Foundation | Model Business Corporation Annotated. 1960 3 Volumes. |
| Frey Morris & Chowper | Cases and Materials On Corporations, 1966. |
| O'Leck, Leaver, Bobbs & Meriell | Modern Corporation Law. 1960 6 Volumes. |
| M. Weinberg | Take-Overs and Amalgamations. 3rd ed., 1971. |
| Aranow & Einhorn | Proxy Contests for Corporate Control. 1957. |

Aranow & Einhorn — Tender Offers for Corporate Control. 1973.

Baum & Styles — The Silent Partners: Institutional Investors and Corporate Control. 1965.

O'Neal — Close Corporations: Law and Practice. 2nd ed., 1971.